

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

COMPENSATION COMMITTEE

WEDNESDAY, JUNE 20, 2007

2:00 PM.

IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL

EAST GREENWICH, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Compensation Committee was called to order by Chairman, Robert D. Sangster at 2:02 p.m., in the Conference Room at 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

COMMITTEE MEMBERS PRESENT: Robert D. Sangster; Kathleen Hittner, M.D., Joseph Cianciolo; James Forte.

BOARD MEMBER PRESENT: Michael Traficante (arrived at 3:52 pm)

ALSO PRESENT: Peter Frazier, General Counsel; Brian Schattle, Chief Financial Officer; Marci A. Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Doug Dansereau, Chief Auditor and Financial Analyst; Bruce Wilde, Director, Human Resources.

1. Approval of the Minutes:

Mr. Cianciolo moved that the minutes of the Compensation Committee Meeting of February 21, 2007 be approved. Mr. Forte seconded the motion. The motion was passed unanimously.

2. Chair's Report:

There was no report.

3. Report from Director of Human Resources:

Mr. Wilde reported that there had been a ceremony at the Radisson Hotel in Warwick to sign the new Collective Bargaining Agreement. Representatives attended from both management and the union.

Mr. Wilde updated the Committee on the search for a new Senior Vice President of Planning, Engineering and Environmental. There was detailed discussion on the exact configuration of the job and the duties involved. Several concerns were raised because the position has been vacant for over a year and there was discussion of several interim staffing plans. Consensus was that this issue needs further discussion at the Compensation Committee Meeting in July.

Mr. Wilde updated the Committee on current staff vacancies.

4. Open Forum:

There was no Open Forum.

5. Action Item:

(a) Consideration of and Action Upon Non-Union Employee Compensation Program.

Mr. Wilde reported that the Corporation is currently designing a comprehensive performance management/salary administration program for non-union employees. Mr. Wilde gave an overview of the work completed to date which includes an airport specific salary survey of benchmarked positions and noted that work is currently being completed on a refined non-airport salary survey. Both sets of data will be combined to develop a plan design, and complete design work for the FY 2008 program. A comprehensive, performance based pay plan will be presented to both the Compensation Committee and the Board for review and approval. Mr. Wilde reported that the Corporation has developed an interim program for FY 2007 which includes a 3.5% increase to base pay for all non-union employees in July 2007. It was noted that no formal vote is required on this issue.

6. Executive Session:

(a) Collective Bargaining (CBA Strategy and Pending Arbitration Update) – R.I.G.L. § 42-46-5(a)(2).

(b) Potential Litigation (One Non-Public Matter) and Pending Litigation (Police Schedule) – R.I.G.L. § 42-46-5(a)(2).

Mr. Frazier noted that the posted agenda had included an Executive Session Item related to Personnel. This item was removed from the agenda.

At approximately 2:20 pm, a motion was made by Dr. Hittner and seconded by Mr. Cianciolo to go into Executive Session. By the following roll call vote, the motion was passed unanimously.

YEAS: Robert D. Sangster

Kathleen Hittner, MD

Joseph Cianciolo

James Forte

NAYS: None

ABSTAIN: None

At approximately 3:57 pm a motion was made by Mr. Forte and seconded by Mr. Cianciolo to return to the Open Session. The motion was passed unanimously.

A motion was made by Mr. Forte and seconded by Mr. Cianciolo to

seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4. By the following roll call vote the motion was passed unanimously:

YEAS: Robert D. Sangster

Kathleen Hittner, M.D.

James Forte

Joseph Cianciolo

NAYS: None

ABSTAIN: None

7. Future Meetings:

The next meeting will be announced.

8. Adjournment:

At approximately 3:58 pm a motion was made by Mr. Forte and seconded by Mr. Cianciolo to adjourn the meeting. The motion was passed unanimously.

Respectfully submitted,

**Robert D. Sangster, Chairman
Compensation Committee of
the Rhode Island Airport Corporation**

The minutes of the Executive Session of the Compensation Committee Meeting of June 20, 2007 have been sealed in accordance with R.I.G.L. § 42-46-4.